

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department - Power Sector Reforms - Unbundling the Andhra Pradesh State Electricity Board in to Andhra Pradesh Power Generation Corporation (APGENCO) and Andhra Pradesh Transmission Corporation and four DISCOMS – Adjustment Orders – Issued.

ENERGY (POWER.III) DEPARTMENT

G.O.Ms.No.22

Dated:21-05-2014.
Read the following:-

- 1. G.O.Ms.No.9, Energy (Power.III) Department, dated 29-01-1999.
- 2. G.O.Ms.No.11, Energy (Power.III) Department, dated 31-01-2000.
- 3. G.O.Ms.No.35, Energy (Power.III) Department, dated 31-03-2000.
- 4. G.O.Ms.No.109, Energy (Power.III) Department, dated 29-09-2001.

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ORDER:-

Government of Andhra Pradesh had initiated power sector reforms in the year 1999-2000 for restructuring of the entire Power Sector. As part of the restructuring, Government had notified the Andhra Pradesh Electricity Reform (Transfer Scheme) Rules, 1999 under sections 23, 24 and 55 of the Andhra Pradesh Electricity Reform Act, 1998 in the Government orders 1st and 2nd read above. The rules contain details of transfer of the assets, properties, liabilities, obligations, proceedings and personnel of Andhra Pradesh State Electricity Board to APGENCO, APTRANSCO & Distribution companies. Subsequently, Government notified the second transfer scheme in the Government orders 3rd and 4th read above for giving effect to the transfer of assets, properties, liabilities, obligations, proceedings and personnel of APTRANSCO to four Distribution Companies constituted in terms of Sub-section (6) of Section 23 of Andhra Pradesh Electricity Reform Act, 1998.

- 2. As per the first and second transfer schemes, the liability of the **State Government** to the power entities is as follows:

	(Rs. Crores)
1. Under subsidy (from 1997-98 to 1999-2000)	6090.73
2. Other dues like interest on bonds, unfunded liabilities etc.,	725.30
3. Under equity (proposed in the transfer scheme)-	
a) APTRANSCO	734.34
b) APGENCO	2106.80
Total (a+b)	2841.14
(In respect of APTRANSCO, as against Rs.1274.90 crores, the A.G., A.P. already adjusted an amount of Rs.540.56 crores in the Finance Accounts 2004-05. Hence, the balance of Rs.734.34 crores to be adjusted as equity)	
Total payable to Power utilities under Transfer scheme (1+2+3)	9657.17

3. Similarly the dues payable by the Power entities to **State Government** as per the above transfer scheme are as follows:

(Rs. Crores)

1. Loans to be paid by APGENCO & APTRANSCO to State Government	3437.09
2. Equity invested by State Govt., in APSEB	779.29
3. Amount to be received on account of re-valuation of Govt. assets with APSEB	1327.55
4. Repayment liability of APSEB towards bonds taken over by the State Govt.	4113.24
Total Receipts from Power Utilities (1+2+3+4)	9657.17

4. After notifying the above amounts, the transactions were reflected in the accounts of APGENCO & APTRANSCO but not accounted in the Government Accounts by issue of the Government Orders for adjustment due to which there are certain adverse balances showing in the Government Accounts. The Principal Accountant General (A&E), Andhra Pradesh has suggested to clear the adverse balances in respect of Power entities.

5. Government after careful examination hereby decided to sanction an amount of Rs.681603.07 lakhs (Rupees six thousand eight hundred sixteen crores and three lakhs and seven thousand only) as grant to the APTRANSCO and also to sanction an amount of Rs.210680.00 lakhs (Rupees two thousand one hundred and six crores and eighty lakhs only) towards equity in APGENCO and an amount of Rs.73434.00 lakhs (Rupees seven hundred thirty four crores and thirty four lakhs only) towards equity to APTRANSCO against the dues receivable from the power entities to State Government.

6. The expenditure sanctioned at para 5 above shall be debited to the heads of account and contra credit shall be taken under corresponding receipt heads indicated in the Annexure appended to this order by obtaining supplementary grant in the current financial year 2014-15.

7. As there is no cash transactions involved, the Accountant General, Andhra Pradesh is requested to take necessary action for posting adjustment entries in their books against the head of accounts mentioned in the Annexure.

8. This order issues with the concurrence of Finance (PF.I) Department vide their U.O.No.55/PF.I/2014, dated 19/05/2014.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. SHAILENDRA KUMAR JOSHI
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Accountant General (A&E), Andhra Pradesh, Hyderabad (5 copies)
The Managing Director, APGENCO, Hyderabad
The Chairman & Managing Director, APTRANSCO, Hyderabad
The Director of Treasuries & Accounts, A.P., Hyderabad.
The Finance (DCM.II) Department
The Finance (PF.I) Department.
SF/SC(C.No.1698/Pr.III(2)/2014)

//Forwarded:: By Order//

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ANNEXURE to G.O.Ms.No.22, Energy (PR.III) Department, Dated 21/05/2014

I RECEIPTS			(Rs.Lakhs)
1	Receipts against Loans to Power Utilities		
a)	6801	Loans to Power Projects	
	190	Loans to Public Sector and other undertakings	
	SH (04)	Loans for Power Development	8828.00
b)	6801	Loans to Power Projects	
	201	Hydel Generation	
	SH (04)	Loans for Power Development	178.45
c)	6801	Loans to Power Projects	
	202	Thermal Power Generation	
	SH (04)	Loans for Power Development	4832.77
d)	6801	Loans to Power Projects	
	205	Transmission and Distribution	
	SH (04)	Loans for Power Development	102233.91
	SH (05)	Loans to AP Transco for commissioning Simhadri Project	5723.55
	SH (09)	Loans to AP Transco Simhadri Project	386.22
e)	6801	Loans to Power Projects	
	789	Special component Plan for SCs	
	SH (04)	Loans for Power Development	7277.42
f)	6801	Loans to Power Projects	
	796	Tribal area Sub-plan	
	SH (04)	Loans for Power Development	12965.12
g)	6801	Loans to Power Projects	
	800	Other Loans to Electricity Boards	
	SH (04)	Loans for Power Development	201283.63
Total (1) Receipts against Loans			343709.07
2	Amounts receivable by State Government from A.P.State Electricity Board towards equity and also revaluation of Government assets with APSEB.		
	0801	Power	
	05	Transmission and Distribution	
	800	Other Receipts	210684.00
3	Receipts against the bonds liability taken over by the State Government		
	6003	Internal debt of State Government	
	109	Loans from Other Institutions	
	SH (12)	Loans from A.P. Transco Bonds	264632.00
	SH (13)	Loans from A.P. Power Finance Corporation Limited	146692.00
I . TOTAL RECEIPTS			965717.07

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II EXPENDITURE		(Rs.Lakhs)
4	Subsidy arrears from 1997-98 to 1999-2000 including outstanding interest against the APSEB bonds etc.	
	2801 Power	
	05 Transmission and Distribution	
	800 Other expenditure	
	Assistance to Transmission Corporation of	
SH (06)	A.P.	
	Ltd., for Agricultural and allied subsidy	
	310 Grants-in-aid	
	312 Other grants-in-aid	681603.07
5	Capital expenditure under equity	
a)	4801 Capital outlay on power projects	
	02 Thermal Power Generation	
	190 Investment in Public Sector and Other undertakings	
	GH 11 Normal State Plan	
SH (02)	Investment in APGENCO	210680.00
b)	4801 Capital outlay on power projects	
	05 Transmission and Distribution	
	190 Investment in Public Sector and Other undertakings	
	GH 11 Normal State Plan	
	Investment in A.P.Transmission	
SH (02)	Corporation	73434.00
	II . TOTAL EXPENDITURE	965717.07

Dr. SHAILENDRA KUMAR JOSHI
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

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